

Message Text

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ACTION EA-09

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TO SECSTATE WASHDC 9782

INFO AMEMBASSY BANGKOK

AMEMBASSY BONN

AMEMBASSY ISLAMABAD

AMEMBASSY JIDDA

AMEMBASSY MANAMA

AMEMBASSY NEW DELHI

AMEMBASSY SANA

AMEMBASSY SEOUL

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E.O. 11652: GDS

TAGS: EALR, EFIN, EAB, SA, RP

SUBJECT: PHILIPPINE OVERSEAS WORKERS WELFARE FUND

REF: DHAHRAN 1008

BEGIN SUMARY: GOP DEPARTMENT OF LABOR HAS SET UP AN OVER-
SEAS WORKERS WELFARE FUND TO SERVICE THE NON-JOB RELATED
PROBLEMS OF OVERSEAS FILIPINO WORKERS, FUNDING IS A PROBLEM
THE GOP SEEKS TO ASSIGN TO THE CONTRACTORS WHO ARE RECRUITING.
END SUMMARY.

1. LABOR SECRETARY BLAS OPLE TOLD LABATT AUG 27 THAT A DRAFT
PRESIDENTIAL DECREE CONCERNING OVERSEAS WORKERS' WELFARE WAS
AWAITING THE PRESIDENT'S SIGNATURE. THE DECREE WOULD
FORMALIZE AN EXISTING PRACTICE OF THE DEPARTMENT OF LABOR'S
(DOL) OVERSEAS EMPLOYMENT DEVELOPMENT BOARD (OEDB) WHEREBY
FOREIGN CONTRACTORS SEEKING TO RECRUIT PHILIPPINE WORKERS
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ARE ASKED TO CONTRIBUTE TO AN OVERSEAS WORKERS' WELFARE

FUND ADMINISTERED BY OEBD.

2. AT THE PRESENT TIME OEDB OFFICIALS HAVE BEEN TRYING TO PERSUADE AMERICAN CONTRACTORS, WHO HAVE COME TO MANILA TO RECRUIT WORKERS FOR SAUDI ARABIA, TO ALLOW THE OEDB TO PURCHASE THE AIRLINE TICKET FOR EACH FILIPINO WORKER AND THUS, PERMIT THE OEDB TO GET A SLICE OF THE SO-CALLED "OVERRIDE COMMISSION." PHILIPPINE AIR LINES (PAL) CURRENTLY CONTRIBUTES 1/3 OF THE "OVERRIDE COMMISSION" ON THE PRICE OF A TICKET TO THE FUND WHEN OEDB BUYS THE TICKET.

3. OPLE CLAIMS THAT THIS FUND IS NECESSARY IN ORDER FOR THE DEPARTMENT OF LABOR TO EMPLOY SOCIAL WORKERS TO SEND TO THE HOST COUNTRY THAT EMPLOYS LARGE NUMBERS OF FILIPINOS. "THE KOREANS ARE WAY AHEAD OF US IN THIS AREA OF ACTIVITY," OPLE SAID. USING GERMANY AS AN EXAMPLE, HE SAID WE HAVE 7,000 FILIPINO NURSES THERE AND THE KOREANS HAVE 14,000. WE HAVE 2 SOCIAL WORKERS AND THE KOREANS HAVE ABOUT 14. OPLE CLAIMS THAT BY PROVIDING FILIPINO SOCIAL WORKERS, WHO WOULD LOOK AFTER THE NON-JOB RELATED PROBLEMS OF OVERSEAS WORKERS, THE TENSIONS AND CULTURAL SHOCK THAT AFFECT FILIPINOS WILL BE GREATLY RELIEVED, TO THE BENEFIT OF THE WORKER AND THE CONTRACTOR.

4. SO FAR AT LEAST THREE AMERICAN CONTRACTORS HAVE REFUSED TO CONSIDER ANY CONTRIBUTION TO THE FUND, CLAIMING THE PORTION OF THE OVERRIDE COMMISSION THEY RECEIVE IS NOT NEGOTIABLE. WE UNDERSTAND THE OVERRIDE COMMISSION, WHICH IS A A VERY FLEXIBLE FIGURE, CAN AMOUNT TO AS MUCH AS 50 PERCENT OF THE LIST PRICE OF REGULAR AIRLINE TICKET IF NON-SCHEDULED CHARTER FLIGHTS ARE USED. AN AMERICAN CONTRACTOR IS IN MANILA NOW SEEKING TO RECRUIT 400 CONSTRUCTION WORKERS FOR SAUDI ARABIA. THIS CONTRACTOR ESTIMATES THAT OVER THE NEXT TWO YEARS, THERE WILL BE JOBS FOR ABOUT 300,000 FOREIGN WORKERS IN SAUDI ARABIA ALONE.

5. AS A RELATED ACTIVITY THE DEPARTMENT OF LABOR IS
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TRYING TO PERSUADE FILIPINO CONTRACTORS TO GET INVOLVED IN THE BIDDING FOR MIDDLE EAST CONTRACTS. OPLE CLAIMED THAT AG&P A FORMER US-OWNED AND NOW MAJORITY FILIPINO-OWNED CONSTRUCTION COMPANY, HAS BID ON A MIDDLE EAST CONTRACT. THE STATUS OF THE BID IS UNKNOWN.

6. COMMENT: THERE ARE VERY REAL PROBLEMS AFFECTING ALL OVERSEAS WORKERS (SEE REFTEL), THAT SERVE TO

INHIBIT THE OTHERWISE SKILLED AND INDUSTRIOUS OVERSEAS FILIPINO. IT HAS LONG BEEN THE PRACTICE OF AMERICAN CONTRACTORRS TO PROVIDE INDUSTRIAL RELATIONS SPECIALISTS TO LOOK AFTER THE JOB-RELATED PROBLEMS OF ALL WORKERS, AMERICAN AND FOREIGN. THERE IS LITTLE DOUBT THAT SOCIAL WORKERS COULD PLAY A USEFUL ROLE WITH WORKERS SEPARATED FROM THEIR FAMILIES. THE QUESTION SEEMS TO BE WHO SHOULD PROVIDE THE SOCIAL WORKER AND HOW SHOULD THESE JOBS BE FUNDED? COUNSELING A WORKER SUFFEREING FROM CULTURAL SHOCK CAN GET INTO SENSITIVE PERSONAL PROBLEMS. WHO WILL THE WORKER TRUST - A SOCIAL WORKER PROVIDED BY THE CONTRACTOR OR ONE PROVIDED BY THE WORKERS'S HOME GOVERNMENT? PERHAPS WHEN THIS PROBLEM IS THOROUGHLY DEBATED WITH THE CONTRACTORS, ANOTHER SOLUTION TO THE PROBLEM WILL BE FOUND.

7. GIVEN THE CONTROL THE DOL HAS ON FILIPINO WORKERS GOING OVERSEAS, IT APPEARS THAT SOME COMPETITIVE BIDS COULD BE PUT TOGETHER BY FILIPINO CONTRACTORS WHO BID ON FOREIGN LABOR CONTRACTS.

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